

PROVIDING FOR THE CONSIDERATION OF H.R. 2425, THE
MEDICARE PRESERVATION ACT OF 1995

OCTOBER 18, 1995.—Referred to the House Calendar and ordered to be printed

Mr. LINDER, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 238]

The Committee on Rules, having had under consideration House Resolution 238, by a non-record vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for the consideration of H.R. 2425, the Medicare Preservation Act of 1995 under a modified closed rule. The rule provides three hours of general debate divided equally between the chairmen and ranking minority members of the committees on Ways and Means and Commerce.

All points of order against consideration of the bill are waived. The rule provides that an amendment in the nature of a substitute consisting of the text of H.R. 2485, modified by the amendment printed in this report, is considered as adopted in the House and the Committee of the Whole. The bill as so amended is considered as original text for amendment purposes and is considered as read. All points of order against provisions of the bill as amended are waived.

The rule provides for consideration of an amendment in the nature of a substitute numbered 2 printed in the Congressional Record if offered by the Minority Leader or a designee. The substitute shall be considered as read, shall not be subject to amendment, and shall be debatable for one hour divided equally between the proponent and an opponent. All points of order against the amendment in the nature of a substitute are waived.

The rule provides that after a motion to rise has been rejected on any day, another motion to rise may only be offered by the chairman of the Committee on Ways and Means, the chairman of

the Committee on Commerce, the Majority Leader, or a designee of any of them. The rule provides for one motion to recommit which if containing instructions may only be offered by the Minority Leader or a designee. Finally, the rule provides that the yeas and nays are ordered on final passage and that the provisions of clause 5(c) of Rule XXI (requiring a three-fifths vote on any amendment or measure containing a Federal income tax rate increase) shall not apply to the votes on the bill, amendments thereto or conference reports thereon.

COMMITTEE VOTES

Pursuant to clause 2(l)(2)(B) of House rule XI the results of each rollcall vote on an amendment or motion to report, together with the names of those voting for and against, are printed below. For a summary of the amendments moved to be made in order, see section following the rollcall votes.

RULES COMMITTEE ROLLCALL NO. 178

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Moakley.

Summary of motion: Make in order amendment by Rep. Waxman.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beitenson	X	.....	.....
Frost	X	.....	.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 179

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Moakley.

Summary of motion: Make in order amendment by Rep. Waxman.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....

	Yea	Nay	Present
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 180

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Moakley.

Summary of motion: Make in order amendment by Rep. Markey.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 181

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Moakley.

Summary of motion: Make in order amendment by Rep. Rangel.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 182

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Moakley.
 Summary of motion: Make in order amendment to sec. 15601 to
 substitute \$34.60 for \$35.42.
 Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beilenson	X	.....	.....
Frost	X	.....	.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 183

Date: October 18, 1995.
 Measure: H.R. 2425, the Medicare Preservation Act of 1995.
 Motion by: Mr. Moakley.
 Summary of motion: Make in order amendment by Rep. Rangel.
 Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beilenson	X	.....	.....
Frost	X	.....	.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 184

Date: October 18, 1995.
 Measure: H.R. 2425, the Medicare Preservation Act of 1995.
 Motion by: Mr. Moakley.
 Summary of motion: Make in order amendment by Rep. Rangel.
 Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....

	Yea	Nay	Present
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 185

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Moakley.

Summary of motion: Make in order amendment by Rep. Cardin
(en bloc).

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 186

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Beilenson.

Summary of motion: Make in order amendment by Rep. Stupak.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 187

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Beilenson.

Summary of motion: Make in order amendment by Rep. Ganske.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley .....			.....
Beilenson	X		.....
Frost	X		.....
Hall	X		.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 188

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Beilenson.

Summary of motion: Make in order amendment by Rep. Ganske.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley .....			.....
Beilenson	X		.....
Frost	X		.....
Hall	X		.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 189

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Beilenson.

Summary of motion: Make in order amendment by Rep. Ganske.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....

	Yea	Nay	Present
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 190

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Beilenson.

Summary of motion: Make in order amendment by Reps. Shays and Schiff.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 191

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Beilenson.

Summary of motion: Make in order amendment by Rep. Conyers.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 192

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Frost.

Summary of motion: Make in order amendment to strike section of the bill dealing with medical malpractice.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beilenson	X	.....	.....
Frost	X	.....	.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 193

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Frost.

Summary of motion: Make in order amendment to strike section 15312(a) of the bill which strikes caps on awards for non-economic damages.

Results: Rejected, 5 to 8.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce	X	.....	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beilenson	X	.....	.....
Frost	X	.....	.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 194

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Frost.

Summary of motion: Make in order amendment to strike section 15531 of the bill.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....

	Yea	Nay	Present
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 195

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Frost.

Summary of motion: Extend general debate time to 6 hours and extend debate time on the Democratic substitute to 4 hours.

Results: Rejected, 4 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost	X		
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 196

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Hall.

Summary of motion: Make in order amendment by Rep. Pallone.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost			
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 197

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Hall.

Summary of motion: Make in order amendment by Rep. Pallone.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beilenson	X	.....	.....
Frost .....			.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 198

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Hall.

Summary of motion: Make in order amendment by Rep. Pallone.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....
Goss		X	.....
Linder		X	.....
Pryce		X	.....
Diaz-Balart		X	.....
McInnis		X	.....
Waldholtz		X	.....
Moakley	X	.....	.....
Beilenson	X	.....	.....
Frost .....			.....
Hall	X	.....	.....
Solomon		X	.....

RULES COMMITTEE ROLLCALL NO. 199

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Hall.

Summary of motion: Make in order two amendments by Rep. Collins (en bloc).

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	.....
Dreier		X	.....

	Yea	Nay	Present
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost			
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 200

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Hall.

Summary of motion: Make in order amendment by Rep. Richardson.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost			
Hall	X		
Solomon		X	

RULES COMMITTEE ROLLCALL NO. 201

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Hall.

Summary of motion: Make in order amendment by Rep. Richardson.

Results: Rejected, 3 to 9.

	Yea	Nay	Present
Vote by member:			
Quillen		X	
Dreier		X	
Goss		X	
Linder		X	
Pryce		X	
Diaz-Balart		X	
McInnis		X	
Waldholtz		X	
Moakley	X		
Beilenson	X		
Frost			

	Yea	Nay	Present
Hall	X	.....	.....
Solomon .....	.....	X	.....

RULES COMMITTEE ROLLCALL NO. 202

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Solomon.

Summary of motion: Add provision to rule ordering yeas and nays on passage of bill and suspending application of clause 5(c) of rule XXI to votes on passage of bill, amendments thereto, and conference reports thereon.

Results: Rejected, 9 to 3.

	Yea	Nay	Present
Vote by member:			
Quillen	X	.....	.....
Dreier	X	.....	.....
Goss	X	.....	.....
Linder	X	.....	.....
Pryce	X	.....	.....
Diaz-Balart	X	.....	.....
McInnis	X	.....	.....
Waldholtz	X	.....	.....
Moakley .....	.....	X	.....
Beilenson .....	.....	X	.....
Frost .....	.....	.....	.....
Hall .....	.....	X	.....
Solomon	X	.....	.....

RULES COMMITTEE ROLLCALL NO. 203

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Quillen.

Summary of motion: Order rule reported.

Results: Rejected, 9 to 3.

	Yea	Nay	Present
Vote by member:			
Quillen	X	.....	.....
Dreier	X	.....	.....
Goss	X	.....	.....
Linder	X	.....	.....
Pryce	X	.....	.....
Diaz-Balart	X	.....	.....
McInnis	X	.....	.....
Waldholtz	X	.....	.....
Moakley .....	.....	X	.....
Beilenson .....	.....	X	.....
Frost .....	.....	.....	.....
Hall .....	.....	X	.....
Solomon	X	.....	.....

RULES COMMITTEE ROLLCALL NO. 204

Date: October 18, 1995.

Measure: H.R. 2425, the Medicare Preservation Act of 1995.

Motion by: Mr. Dreier.

Summary of motion: Reconsider the vote by which the rule was ordered reported.
Results: Adopted, 8 to 2.

	Yea	Nay	Present
Vote by member:			
Ouille			
Dreier	X		
Goss	X		
Linder	X		
Pryce	X		
Diaz-Balart	X		
McInnis	X		
Waldholtz	X		
Moakley		X	
Beilenson			
Frost		X	
Hall			
Solomon	X		

MEDICARE AMENDMENTS OFFERED IN RULES COMMITTEE

RollCall No.:	
178	Moakley: Rangel—Access to Centers of Excellence.
179	Moakley: Waxman/Kleczka—The amendment would extend the same balance billing limits to MedicarePlus providers as under the traditional Medicare program.
180	Moakley: Markey—Strikes the Republican proposal to set the Part B Premium permanently at 31%.
181	Moakley: Rangel—Substitute to make Medicare solvent through an across the board \$90 billion reduction in tax breaks for the wealthy and by transferring those savings to Medicare Part A.
182	Moakley: Amendment to amend 42 U.S.C. 1395(w) through 4(d)(1) made by section 15601 of the substitute by striking \$35.42 and inserting \$34.60.
183	Moakley: Rangel—Protect hospitals that serve the poor and uninsured—delete reduction in disproportionate share payments.
184	Moakley: Rangel—Protect nursing home beneficiaries—prevent removal of nursing home reform standards.
185	Moakley: Cardin—En Bloc: Increase the mammography schedule; provide payment for colorectal screening; provide payment for diabetes screening; provide payment for prostate screening.
186	Beilenson: Stupak—Substitute to make Medicare solvent (saves \$89 billion) by aggressively fighting waste, fraud, and abuse.
187	Beilenson: Ganske—Provides definition of emergency care health plans to determine whether payment is proper based on information available at the time treatment is delivered.
188	Beilenson: Ganske—Clarifies that plans may not deny care based on the; lack of medical necessity unless a doctor so determines.
189	Beilenson: Ganske—Sets a minimum floor in the adjusted average per capita cost of 85% of the national average and provides for differential updates to close the gap.
190	Beilenson: Shays/Schiff—Requires Secretary of HHS to implement proposal to expedite payment adjustment; limits providers to one universal identification number and requires use of number by every provider in submission of claims; makes contractors financially liable for Medicare claims inappropriately paid to providers who have been excluded from the Medicare program; requires Secretary to conduct study of feasibility of imposing financial qualifications on individuals and entities providing items and services to Medicare and Medicaid.
191	Beilenson: Conyers—en bloc amendment striking antitrust provisions and strikes the voluntary disclosure program.
192	Frost: Strike the section of the bill dealing with medical malpractice.
193	Frost: Amendment to strike section 1531(a) of the bill which strikes caps on awards for non-economic damages.
194	Frost: Amendment to strike section 15531 of the bill.
195	Frost: Amendment to the rule to extend debate time on the bill to 6 hours of general debate and 4 hours of debate on the Democratic alternative.
196	Hall: Pallone—Closes the 45-day window with regard to the home care reimbursement.
199	Hall: Collins—Amendment to restore current law protections included in the Clinical Lab Improvements act.

MEDICARE AMENDMENTS OFFERED IN RULES COMMITTEE—Continued

- 200 Hall: Collins—Removes the 7-year freeze on durable medical equipment (DME) payments.
 Hall: Richardson—Insures that Indian Health Service and tribal health facilities are involved in the creation of any new Medicare plans in their area.
 201 Hall—Richardson—Guarantees that Medicare patients will be allowed to keep their mental health treatment private.
 197 Hall: Pallone—Strikes Medicare B cuts in the bill.
 198 Hall: Pallone—Gives Medicare Part B premium increase in the bill to seniors below the poverty line.

THE AMENDMENT MODIFYING THE TEXT OF H.R. 2485, THE AMENDMENT IN THE NATURE OF A SUBSTITUTE MADE IN ORDER BY THE RULE AS ORIGINAL TEXT:

In title XV of the bill—

(1) in paragraph (1)(A)(i) of section 1855(c) of the Social Security Act (as inserted by section 15002(a) of the bill), strike “9.7” and insert “9.0”; and

(2) in paragraph (1)(B)(i) of such section, strike “FOR LOWEST SERVICE UTILIZATION COHORT” and strike “\$250” and insert “\$300”;

(3) in paragraph (2)(A) of such section, strike “subject to subparagraph (B)” and insert “subject to subparagraphs (B) and (C)”;

(4) amend subparagraph (C) of paragraph (2) of such section to read as follows:

“(C) FINAL ADJUSTMENT OF GROWTH RATES.—After computing per capita growth rates under the previous provisions of this paragraph for a year, the Secretary shall—

“(i) reduce the per capita growth rate for areas assigned to the median service utilization cohort by the ratio of .1 to 5.3;

“(ii) if the year is 1997, increase per capita growth rates for payment areas to extent necessary to assure that the annual MedicarePlus capitation rate for each payment area for such year is at least 12 times \$320; and

“(iii) adjust (consistent with clause (ii)) the per capita growth rate for areas assigned to the lowest service utilization cohort by such proportion as the Secretary determines will result in no net increase in outlays resulting from the application of this subparagraph for the year involved.”; and

(5) amend part 2 of subtitle B to read as follows (and conform the table of contents accordingly):

PART 2—REVISIONS TO CRIMINAL LAW

SEC. 15121. DEFINITION OF FEDERAL HEALTH CARE OFFENSE.

(a) IN GENERAL.—Chapter 2 of title 18, United States Code, is amended by adding at the end the following:

“§ 24. Definition of Federal health care offense

“(a) As used in this title, the term ‘Federal health care offense’ means—

“(1) a violation of, or criminal conspiracy to violate section 226, 227, 669, 1035, 1347, or 1518 of this title;

“(2) a violation of, or criminal conspiracy to violate section 1128B of the Social Security Act (42 U.S.C. 1320a–7b);

“(3) a violation of, or criminal conspiracy to violate section 201, 287, 371, 664, 666, 1001, 1027, 1341, 1343, or 1954 of this title, if the violation or conspiracy relates to a health care benefit program;

“(4) a violation of, or criminal conspiracy to violate section 501 or 511 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131 or 29 U.S.C. 1141), if the violation or conspiracy relates to a health care benefit program;

“(5) the commission of, or attempt to commit, an act which constitutes grounds for the imposition of a penalty under section 303 of the Federal Food, Drug, and Cosmetic Act, if the act or attempt relates to a health care benefit program; or

“(6) a violation of, or criminal conspiracy to violate, section 3 of the Anti-Kickback Act of 1986 (41 U.S.C. 53), if the violation or conspiracy relates to a health care benefit program.

“(b) As used in this title, the term ‘health care benefit program’ has the meaning given such term in section 1347(b) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 18, United States Code, is amended by inserting after the item relating to section 23 the following new item:

“24. Definition relating to Federal health care offense defined.”.

SEC. 15122. HEALTH CARE FRAUD.

(a) IN GENERAL.—Chapter 63 of title 18, United States Code, is amended by adding at the end the following:

“§ 1347. Health care fraud

“(a) Whoever, having devised or intending to devise a scheme or artifice, commits or attempts to commit an act in furtherance of or for the purpose of executing such scheme or artifice—

“(1) to defraud any health care benefit program; or

“(2) to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any health care benefit program,

shall be fined under this title or imprisoned not more than 10 years, or both. If the violation results in serious bodily injury (as defined in section 1365 of this title), such person shall be fined under this title or imprisoned not more than 20 years, or both; and if the violation results in death, such person shall be fined under this title, or imprisoned for any term of years or for life, or both.

“(b) As used in this section, the term ‘health care benefit program’ means any public or private plan or contract under which any medical benefit, item, or service is provided to any individual, and includes any individual or entity who is providing a medical benefit, item, or service for which payment may be made under the plan or contract.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 63 of title 18, United States Code, is amended by adding at the end the following:

“1347. Health care fraud.”.

SEC. 15123. THEFT OR EMBEZZLEMENT.

(a) IN GENERAL.—Chapter 31 of title 18, United States Code, is amended by adding at the end the following:

“§ 669. Theft or embezzlement in connection with health care

“(a) Whoever embezzles, steals, or otherwise without authority willfully and unlawfully converts to the use of any person other than the rightful owner, or intentionally misapplies any of the moneys, funds, securities, premiums, credits, property, or other assets of a health care benefit program, shall be fined under this title or imprisoned not more than 10 years, or both.

“(b) As used in this section, the term ‘health care benefit program’ has the meaning given such term in section 1347(b) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 31 of title 18, United States Code, is amended by adding at the end the following:

“669. Theft or embezzlement in connection with health care.”.

SEC. 15124. FALSE STATEMENTS.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

“§ 1035. False statements relating to health care matters

“(a) Whoever, in any matter involving a health care benefit program, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.

“(b) As used in this section, the term ‘health care benefit program’ has the meaning given such term in section 1347(b) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 18, United States Code, is amended by adding at the end the following new item:

“1035. False statements relating to health care matters.”.

SEC. 15125. BRIBERY AND GRAFT.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following:

“§ 226. Bribery and graft in connection with health care

“(a) Whoever—

“(1) directly or indirectly, corruptly gives, offers, or promises anything of value to a health care official, or offers or promises to give anything of value to any other person, or attempts to violate this subsection, with intent—

“(A) to influence any of the health care official’s actions, decisions, or duties relating to a health care benefit program;

“(B) to influence such an official to commit or aid in the committing, or collude in or allow, any fraud, or make opportunity for the commission of any fraud, on a health care benefit program; or

“(C) to induce such an official to engage in any conduct in violation of the lawful duty of such official; or

“(2) being a health care official, directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to accept anything of value personally or for any other person or entity, the giving of which violates paragraph (1) of this subsection, or attempts to violate this subsection,

shall be fined under this title or imprisoned not more than 15 years, or both.

“(b) Whoever—

“(1) otherwise than as provided by law for the proper discharge of any duty, directly or indirectly gives, offers, or promises anything of value to a health care official, for or because of any of the health care official’s actions, decisions, or duties relating to a health care benefit program, or attempts to violate this subsection; or

“(2) being a health care official, otherwise than as provided by law for the proper discharge of any duty, directly or indirectly, demands, seeks, receives, accepts or agrees to accept anything of value personally or for any other person or entity, the giving of which violates paragraph (1) of this subsection, or attempts to violate this subsection,

shall be fined under this title, or imprisoned not more than 2 years, or both.

“(c) As used in this section—

“(1) the term ‘health care official’ means—

“(A) an administrator, officer, trustee, fiduciary, custodian, counsel, agent, or employee of any health care benefit program;

“(B) an officer, counsel, agent, or employee, of an organization that provides services under contract to any health care benefit program; or

“(C) an official, employee, or agent of an entity having regulatory authority over any health care benefit program; and

“(2) the term ‘health care benefit program’ has the meaning given such term in section 1347(b) of this title.”.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

“226. Bribery and graft in connection with health care.”.

SEC. 15125. ILLEGAL REMUNERATION WITH RESPECT TO HEALTH CARE BENEFIT PROGRAMS.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following:

“§ 227. Illegal remuneration with respect to health care benefit programs

“(a) Whoever knowingly and willfully solicits or receives any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind—

“(1) in return for referring any individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by any health care benefit program; or

“(2) in return for purchasing, leasing, ordering, or arranging for or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part by any health care benefit program, or attempting to do so,

shall be fined under this title or imprisoned for not more than 5 years, or both.

“(b) Whoever knowingly and willfully offers or pays any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly, or covertly, in cash or in kind to any person to induce such person—

“(1) to refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by any health benefit program; or

“(2) to purchase, lease, order, or arrange for or recommend purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part by any health benefit program or attempts to do so,

shall be fined under this title or imprisoned for not more than 5 years, or both.

“(c) Subsections (a) and (b) shall not apply to—

“(1) a discount or other reduction in price obtained by a provider of services or other entity under a health care benefit program if the reduction in price is properly disclosed and appropriately reflected in the costs claimed or charges made by the provider or entity under a health care benefit program;

“(2) any amount paid by an employer to an employee (who has a bona fide employment relationship with such employer) for employment in the provision of covered items or services if the amount of the remuneration under the arrangement is consistent with the fair market value of the services and is not determined in a manner that takes into account (directly or indirectly) the volume or value of any referrals;

“(3) any amount paid by a vendor of goods or services to a person authorized to act as a purchasing agent for a group of individuals or entities who are furnishing services reimbursed under a health care benefit program if—

“(A) the person has a written contract, with each such individual or entity, which specifies the amount to be paid the person, which amount may be a fixed amount or a percentage of the value of the purchases made by each such individual or entity under the contract, and

“(B) in the case of an entity that is a provider of services (as defined in section 1861(u) of the Social Security Act,

the person discloses (in such form and manner as the Secretary of Health and Human Services requires) to the entity and, upon request, to the Secretary the amount received from each such vendor with respect to purchases made by or on behalf of the entity;

“(4) a waiver of any coinsurance under part B of title XVIII of the Social Security Act by a federally qualified health care center with respect to an individual who qualifies for subsidized services under a provision of the Public Health Service Act; and

“(5) any payment practice specified by the Secretary of Health and Human Services in regulations promulgated pursuant to section 14(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987.

“(d) Any person injured in his business or property by reason of a violation of this section or section 226 of this title may sue therefor in any appropriate United States district court and shall recover threefold the damages such person sustains and the cost of the suit, including a reasonable attorney’s fee.

“(e) As used in this section, ‘health care benefit program’ has the meaning given such term in section 1347(b) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 11 of title 18, United States Code, is amended by adding at the end the following:

“227. Illegal remuneration with respect to health care benefit programs.”.

(c) CONFORMING AMENDMENT.—Section 1128B of the Social Security Act (42 U.S.C. 1320a–7b) is amended by striking subsection (b).

SEC. 15127. OBSTRUCTION OF CRIMINAL INVESTIGATIONS OF HEALTH CARE OFFENSES.

(a) IN GENERAL.—Chapter 73 of title 18, United States Code, is amended by adding at the end the following:

“§ 1518. Obstruction of criminal investigations of health care offenses

“(a) Whoever willfully prevents, obstructs, misleads, delays or attempts to prevent, obstruct, mislead, or delay the communication of information or records relating to a violation of a health care offense to a criminal investigator shall be fined under this title or imprisoned not more than 5 years, or both.

“(b) As used in this section the term ‘health care offense’ has the meaning given such term in section 24 of this title.

“(c) As used in this section the term ‘criminal investigator’ means any individual duly authorized by a department, agency, or armed force of the United States to conduct or engage in investigations for prosecutions for violations of health care offenses.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 of title 18, United States Code, is amended by adding at the end the following new item:

“1518. Obstruction of criminal investigations of health care offenses.”.

SEC. 15128. CIVIL PENALTIES FOR VIOLATIONS OF FEDERAL HEALTH CARE OFFENSES.

(a) **IN GENERAL.**—Chapter 63 of title 18, United States Code, is amended by adding at the end the following:

“§ 1348. Civil penalties for violations of Federal health care offenses

“The Attorney General may bring a civil action in the appropriate United States district court against any person who engages in conduct constituting a violation of Federal health care offense, as that term is defined in section 24 of this title and, upon proof of such conduct by a preponderance of the evidence, such person shall be subject to a civil penalty of not more than \$50,000 for each violation or the amount of compensation or proceeds which the person received or offered for the prohibited conduct, whichever amount is greater. The imposition of a civil penalty under this section does not preclude any other criminal or civil statutory, common law, or administrative remedy, which is available by law to the United States or any other person.”.

(b) **CLERICAL AMENDMENT.**—The table of sections for chapter 63 of title 18, United States Code, is amended by adding at the end the following item:

“1348. Civil penalties for violations of Federal health care offenses.”.

SEC. 15129. INJUNCTIVE RELIEF RELATING TO HEALTH CARE OFFENSES.

Section 1345(a)(1) of title 18, United States Code, is amended—

- (1) by striking “or” at the end of subparagraph (A);
- (2) by inserting “or” at the end of subparagraph (B); and
- (3) by adding at the end the following:

“(C) committing or about to commit a Federal health care offense (as defined in section 24 of this title).”.

SEC. 15130. AUTHORIZED INVESTIGATIVE DEMAND PROCEDURES.

(a) **IN GENERAL.**—Chapter 233 of title 18, United States Code, is amended by adding after section 3485 the following:

“§ 3486. Authorized investigative demand procedures

“(a) **AUTHORIZATION.**—(1) In any investigation relating to functions set forth in paragraph (2), the Attorney General or the Director of the Federal Bureau of Investigation or their designees may issue in writing and cause to be served a summons compelling the attendance and testimony of witnesses and requiring the production of any records (including any books, papers, documents, electronic media, or other objects or tangible things), which may be relevant to an authorized law enforcement inquiry, that a person or legal entity may possess or have care, custody, or control. The attendance of witnesses and the production of records may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place of hearing; except that a witness shall not be required to appear at any hearing more than 500 miles distant from the place where he was served with a subpoena. Witnesses summoned under this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. A summons requiring the production of records shall describe the objects

required to be produced and prescribe a return date within a reasonable period of time within which the objects can be assembled and made available.

“(2) Investigative demands utilizing an administrative summons are authorized for:

“(A) Any investigation with respect to any act or activity constituting an offense involving a Federal health care offense as that term is defined in section 24 of title 18, United States Code.

“(B) Any investigation, with respect to violations of sections 1073 and 1074 of title 18, United States Code, or in which an individual has been lawfully charged with a Federal offense and such individual is avoiding prosecution or custody or confinement after conviction of such offense or attempt.

“(b) SERVICE.—A subpoena issued under this section may be served by any person designated in the subpoena to serve it. Service upon a natural person may be made by personal delivery of the subpoena to him. Service may be made upon a domestic or foreign corporation or upon a partnership or other unincorporated association which is subject to suit under a common name, by delivering the subpoena to an officer, to a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process. The affidavit of the person serving the subpoena entered on a true copy thereof by the person serving it shall be proof of service.

“(c) ENFORCEMENT.—In the case of contumacy by or refusal to obey a subpoena issued to any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which the investigation is carried on or of which the subpoenaed person is an inhabitant, or in which he carries on business or may be found, to compel compliance with the subpoena. The court may issue an order requiring the subpoenaed person to appear before the Attorney General to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey the order of the court may be punished by the court as a contempt thereof. All process in any such case may be served in any judicial district in which such person may be found.

“(d) IMMUNITY FROM CIVIL LIABILITY.—Notwithstanding any Federal, State, or local law, any person, including officers, agents, and employees, receiving a summons under this section, who complies in good faith with the summons and thus produces the materials sought, shall not be liable in any court of any State or the United States to any customer or other person for such production or for nondisclosure of that production to the customer.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 223 of title 18, United States Code, is amended by inserting after the item relating to section 3485 the following new item:

“3486. Authorized investigative demand procedures.”.

(c) CONFORMING AMENDMENT.—Section 1510(b)(3)(B) of title 18, United States Code, is amended by inserting “or a Federal Bureau of Investigation summons (issued under section 3486 of title 18),” after “subpoena”.

SEC. 15131. GRAND JURY DISCLOSURE.

Section 3322 of title 18, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following:

“(c) A person who is privy to grand jury information concerning a health care offense—

“(1) received in the course of duty as an attorney for the Government; or

“(2) disclosed under rule 6(e)(3)(A)(ii) of the Federal Rules of Criminal Procedure;

may disclose that information to an attorney for the Government to use in any civil investigation or proceeding related to a Federal health care offense (as defined in section 24 of this title).”.

SEC. 15132. MISCELLANEOUS AMENDMENTS TO TITLE 18, UNITED STATES CODE.

(a) LAUNDERING OF MONETARY INSTRUMENTS.—Section 1956(c)(7) of title 18, United States Code, is amended by adding at the end thereof the following:

“(F) Any act or activity constituting an offense involving a Federal health care offense as that term is defined in section 24 of title 18, United States Code.”.

(b) ENHANCED PENALTIES.—Section 2326(2) of title 18, United States Code, is amended by striking “sections that—” and inserting “or in the case of a Federal health care offense as that term is defined in section 24 of this title, that—”.

(c) AUTHORIZATION FOR INTERCEPTION OF WIRE, ORAL, OR ELECTRONIC COMMUNICATIONS.—Section 2516(1)(c) of title 18, United States Code, is amended—

(1) by inserting “section 226 (bribery and graft in connection with health care), section 227 (illegal remunerations)” after “section 224 (bribery in sporting contests),”; and

(2) by inserting “section 1347 (health care fraud)” after “section 1344 (relating to bank fraud),”.

(d) DEFINITIONS.—Section 1961(1) of title 18, United States Code, is amended—

(1) by inserting “sections 226 and 227 (relating to bribery and graft, and illegal remuneration in connection with health care)” after “section 224 (relating to sports bribery),”; and

(2) by inserting “section 669 (relating to theft or embezzlement in connection with health care)” after “section 664 (relating to embezzlement from pension and welfare funds),”; and

(3) by inserting “section 1347 (relating to health care fraud)” after “section 1344 (relating to financial institution fraud),”.

(e) CRIMINAL FORFEITURE.—Section 982(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

“(6) The court in imposing sentence on a person convicted of a Federal health care offense as defined in section 24 of this title, shall order that the offender forfeit to the United States any real or personal property constituting or derived from proceeds that the offender obtained directly or indirectly as the result of the offense.”.

(f) REWARDS FOR INFORMATION LEADING TO PROSECUTION AND CONVICTION.—Section 3059(c)(1) of title 18, United States Code, is amended by inserting “or furnishes information unknown to the Government relating to a possible prosecution of a Federal health care offense as defined in section 24 of this title, which results in a conviction” before the period at the end.

